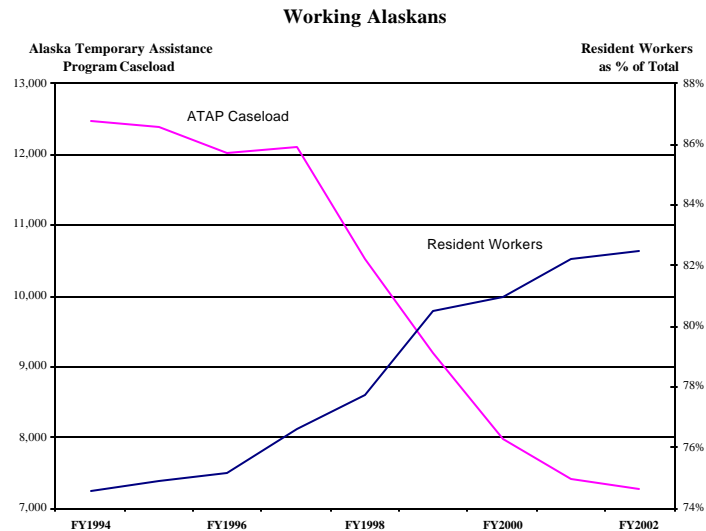


# Governor's Priorities: Jobs and Economic Development

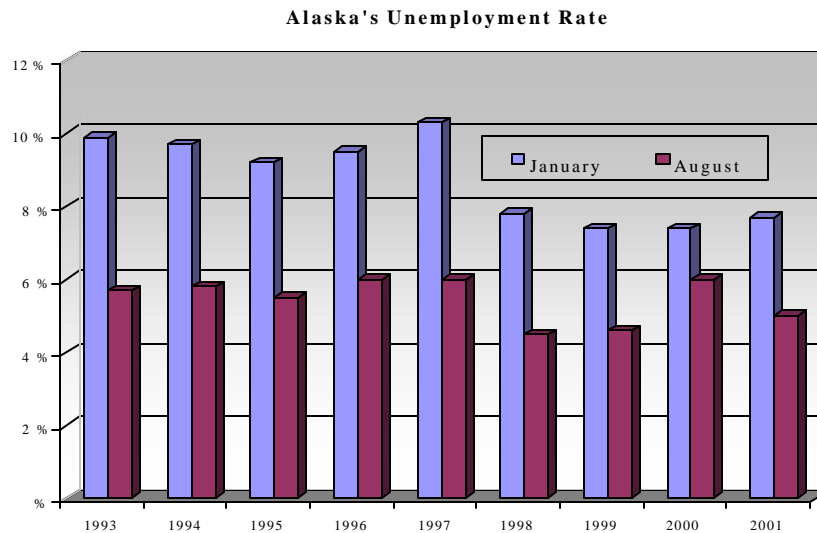
*Desired Result: A growing, sustainable economy that provides good, safe jobs for Alaskans.*

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## KEY BASELINE INDICATORS FOR JOBS AND ECONOMIC DEVELOPMENT:



*The percentage of Alaskan residents in the state workforce has increased steadily, while caseloads for the Alaska Temporary Assistance Program (ATAP) have fallen sharply as ATAP clients have found jobs and left the ATAP rolls.*



*Last year's annual average unemployment of 6.6% was, for the eighth consecutive year, below the average rate from the beginning of data collection in 1978 through 2000.*

## **GOALS AND STRATEGIES:**

### **1. Increase opportunities for Alaskans to have good, safe jobs.**

- Continue a strong partnership with Alaska's businesses including oil, fishing, seafood, mining, timber and tourism.
- Facilitate transport of North Slope natural gas via the Alaska Highway route to lower 48 markets, maximizing Alaska hire and use of Alaska companies.
- Continue to stimulate new oil and gas development on the North Slope with projects such as Alpine, Northstar, and Meltwater.
- Continue expansion of in-state oilfield support capabilities, e.g., Alaska-built modules for the Northstar and Alpine projects.
- Expand construction career opportunities – including training, competitive wages, benefits, and pensions -- for rural Alaskans through partnerships between rural communities, Native non-profit agencies, organized labor, the Associated General Contractors, and state agencies.
- Promote value-added processing of timber, seafood, and other resources— particularly in high unemployment areas— through incentives, research, loans and grants.
- Ensure Alaska's place in national and international competitive salmon markets by setting and adhering to quality, marketing and product development standards.
- Expand business opportunities in Alaska by providing long-term financing assistance through the Alaska Industrial Development and Export Authority.
- Provide critical transportation infrastructure for viable economic development, such as the "Gateway Alaska" redevelopment of Ted Stevens Anchorage International Airport and related projects.
- Continue to promote Alaska's geographic advantage to airlines and air cargo companies, creating jobs for Alaskans and encouraging maximum use of Alaska's airport facilities.
- Provide technical assistance to support small business development and expansion.
- Provide assistance, through coordinated response partnerships, to communities experiencing severe economic disruptions or transitions.
- Spearhead a research strategy addressing the entire life cycle of impacted western Alaska salmon stocks, with special attention to identifying causes of the salmon declines, management changes to promote recovery, and opportunities to engage residents in ongoing research, monitoring and management.
- Continue a strong partnership with regional economic development organizations including Alaska Regional Development Organizations, regional profit and non-profit Native corporations, and Community Development Quota groups to identify and develop opportunities for rural, regional and local economic development.
- Use rural partnerships to help job seekers seize employment opportunities through training and better matching of skills to projected employment needs.
- Coordinate activities and funding with the Denali Commission and federal agencies to improve the effectiveness of state and federal investments throughout rural Alaska.
- Facilitate the exchange of information between Alaska exporters and potential customers through business information exchange services and trade practice assistance.
- Identify and assist in planning and developing new tourism opportunities to expand Alaska's tourist season and increase visits to rural Alaska.

- In partnership with private industry, raise national and international awareness of Alaska as a tourist destination, and increase the consumption of Alaska seafood products through generic and targeted marketing.
- Organize and conduct business trade missions to expand product sales in current markets and develop new markets.
- Retain state oversight of occupational safety and health and continue to work in partnership with employers and workers to reduce injury, illness, and death in Alaska's workplaces.

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## **2. Encourage responsible resource development with sound science, prudent management and good public process.**

- Ensure we "Do Resource Development Right" with:
  - 1) sound science bringing the latest and best scientific information about resources to bear including best technologies and local knowledge;
  - 2) prudent management a) focusing on conservation and sustainability, b) utilizing resident contractors and workers, and c) including oil field or project monitoring and review to assure quality information and adaptive management; and
  - 3) responsive, meaningful public involvement which includes stakeholders, communities, and citizens in ongoing public review.
- Take full legal and administrative measures to reverse and prevent federal agencies and courts from usurping Alaska's resource management authority.
- Ensure the state is prepared and able to resume full management of subsistence.
- Continue successful promotion of new mining projects through aerial geophysical mapping program.

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## **3. Hire and train Alaskans for Alaska jobs.**

- Maximize the benefit of economic development and job creation for Alaska's residents through work force development, promotion of resident hire, and moving Alaskans from welfare to work.
- Target welfare recipients for job opportunities with mandatory work and training requirements and incentives that make it pay to work.
- Increase training and child care programs to facilitate employment for out-of-work Alaskans.
- Promote school-to-work partnerships between schools and businesses to prepare Alaska's children for good job opportunities.
- Work with Community Development Quota groups to increase training and employment in high unemployment areas of Western Alaska.
- Continue initiatives with fish processors and factory trawlers to increase their percentage of Alaska hire.
- Provide management training for local personnel in the administration of electric utilities and bulk fuel storage system facilities.
- Continue to coordinate job training efforts through the Governor's Jobs and Training Cabinet and the Alaska Human Resources Investment Council with organized labor programs, private sector employers, and new initiatives such as the Alaska Works partnership.

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### **Highlights of Status in 2001**

- In FY2000 the annual average number of jobs in Alaska's economy (statewide nonagricultural employment) grew by 3,900, an increase of 1.4 percent.
- Total wage and salary earnings in private sector, state and local government jobs totaled \$8.77 billion in 2000. Nonresidents earned about 10.3 % of that total (\$901.8 million), an increase of 0.1 percentage points from the wages paid nonresidents in 1999.
- All unemployment claims are now handled through 24-hour, toll-free, regional call centers.
- The annual average unemployment of 6.6 percent experienced in 2000 was the second lowest recorded in Alaska since the beginning of data collection in 1978.
- Alaska exported \$ 2.46 billion worth of goods in 2000, a decrease of 3.9 percent over 1999, largely due to decreases in crude oil shipments. Alaska's total exports for the first three quarters of 2001 were \$ 2.007 billion, an increase of 0.36 percent over the first three quarters of 2000.
- Continued dramatic reductions in welfare caseload with Workstar and other successful placement programs. In the past five years, Alaska's welfare caseload has dropped 42 percent – from 13,000 families on welfare to fewer than 7,500 – to its lowest level since 1990. Welfare payments have been reduced \$171 million, most of which has been reinvested in child care, health insurance, and other support to cement the progress thousands of Alaskans have made from welfare to work.
- The State Training and Employment Program (STEP) prepared 1,594 Alaskans for mining, seafood, health care, and other jobs in FY01, especially in rural areas.
- Continued development of the Ketchikan shipyard, facilitating new industry and continuing expanding number of jobs.
- Introduced fresh Alaska seafood to hotel restaurants and other high-end customers, benefiting the seafood and air cargo industries. Trade missions and promotions resulted in over \$200,000 in direct sales and over \$2 million projected sales by Alaska seafood companies to new customers in Korea.
- Promoted the sale of Alaska produce (seed potatoes, table stock potatoes, cabbage, and carrots) in Taiwan and promoted a decision by the People's Republic of China to allow seedstock potatoes into their country.
- Expanded the Community Development Quota fisheries program, improving job opportunities in rural Alaska.
- Organized a ten-day, 33-member trade mission to Japan and China led by the Governor which focused on marketing Alaskan products in the energy, seafood and technical services sectors.
- The Division of Investments obtained a \$3 million federal grant to provide loan financing for projects to create jobs and expand local economies affected by the 1998 Western Alaska fisheries disaster.
- Completed construction of the Kodiak Rocket Launch Complex and successfully launched three rockets for the U. S. Air Force, U.S. Army, and Lockheed/NASA, including the first orbital launch payload.
- Completed bulk fuel storage consolidations and upgrades in eight communities and upgraded rural power systems in ten communities.
- Created an Internet-based system so business licenses can now be purchased, updated and renewed online.
- Enrolled the first participants and made the first awards in the Voluntary Protection Program and the Safety and Health Achievement Recognition Program which recognize and promote exemplary workplace safety programs.

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**The Governor's Jobs Cabinet**

Governor Knowles appointed a Jobs Cabinet of top state officials to coordinate and advance priorities for jobs and economic development. The members are:

- Lieutenant Governor
- Commissioner of Labor & Workforce Development
- Commissioner of Community & Economic Development
- Commissioner of Health & Social Services
- Commissioner of Education & Early Development
- Commissioner of Military & Veterans Affairs
- Commissioner of Department of Transportation and Public Facilities
- Commissioner of Department of Environmental Conservation